

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 16055 230039Z  
ACTION ARA-10

INFO OCT-01 ISO-00 AGRE-00 SP-02 USIA-06 AID-05 EB-07  
NSC-05 CIEP-01 SS-15 STR-04 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04  
SIL-01 /078 W  
----- 099702 /12

R 220011Z DEC 76  
FM AMEMBASSY MEXICO  
TO SECSTATE WASHDC 9344  
INFO TREASURY WASHDC

LIMITED OFFICIAL USE MEXICO 16055

EO 11652: NA  
TAGS: EGEN MX  
SUBJECT: GOM RAISES SOME PRICES

1. SUMMARY: OFFICIAL PRICES FOR TORTILLAS, REFINED SUGAR AND CIGARETTES WERE INCREASED. OFFICIAL PRICE FOR BEANS LOWERED. CONASUPO GUARANTEED PRICES TO PRODUCERS REMAINS UNCHANGED. INCREASES SHOULD REDUCE CONASUPO DEFICIT. END SUMMARY.

2. SECRETARIAT FOR INDUSTRY AND COMMERCE ANNOUNCED INCREASES IN OFFICIAL PRICES FOR SEVERAL BASIC COMMODITIES EFFECTIVE DECEMBER 22. PRICE OF KILOGRAM OF CORNMEAL USED FOR TORTILLAS TO INCREASE FIFTY CENTAVOS, FROM A RANGE OF 2.80 TO 3.30 PESOS PER KILOGRAM. PRICE OF REFINED WHITE SUGAR INCREASED FROM 2.55 PESOS PER KILOGRAM TO SIX PESOS. CIGARETTE PRICES TO INCREASE 12.7 PERCENT. TO COMPENSATE FOR INCREASED PRICE OF TORTILLAS, PRICE OF BEANS IS TO BE LOWERED ONE PESO PER KILOGRAM TO 7.8 PESOS.

3. INCREASE IN PRICE OF CORNMEAL FOR TORTILLAS JUSTIFIED ON GROUNDS THAT CONASUPO BUYS CORN AT 2,340 PESOS PER TON AND HAS BEEN SELLING IT TO MILLS AT 1,850 PER TON. IT WILL NOW SELL TO MILLS AT 2,375 PESOS PER TON.

LIMITED OFFICIAL USE

PAGE 02 MEXICO 16055 230039Z

PESOS PER TON AND HAS BEEN SELLING IT TO MILLS AT 1,850 PER TON. IT WILL NOW SELL TO MILLS AT 2,375 PESOS PER TON.

4. WHILE PRICE FOR REFINED WHITE SUGAR IS UP SUBSTANTIALLY ON THE VERY JUSTIFIED GROUNDS OF

PROBLEMS IN THE SUGAR-PRODUCING INDUSTRY, THE PRICES FOR SEMI-REFINED SUGAR AND RAW SUGAR REMAINED FIXED AT 2.15 PESOS AND 2.05 PESOS PER KILOGRAM, RESPECTIVELY. IN 1975, 40 PERCENT OF THE SUGAR CONSUMED DOMESTICALLY WAS REFINED INTO WHITE SUGAR. THERE IS A HIGH DEGREE OF SUBSTITUTABILITY BETWEEN WHITE AND SEMI-REFINED SUGAR. WE SUSPECT THE LARGE PRICE DIFFERENTIAL WILL RESULT IN A SWITCH TO CONSUMPTION OF SEMI-REFINED SUGAR.

JOVA

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRICE CONTROLS, AGRICULTURAL COMMODITIES, EXPORT DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MEXICO16055  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760470-0720  
**From:** MEXICO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761221/aaaaaroi.tel  
**Line Count:** 70  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUL 2004 by BoyleJA>; APPROVED <05 NOV 2004 by ElyME>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOM RAISES SOME PRICES  
**TAGS:** EGEN, MX, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006